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UNCLAS SECTION 01 OF 02 COLOMBO 001778

SIPDIS

SENSITIVE

FOR SA, SA/INS/D
PLEASE PASS TO USAID/ANE/AA, GODRON WEST; ANE/ESA,
BERNADETTE BUNDY, AND ANE/SA, CHARLES UPHAUS.

E.O. 12958: N/A

TAGS: [EAID](#) [PTER](#) [CE](#) [LTTE](#)

SUBJECT: USAID STAFF DISCUSS WORKING LEVEL ISSUES WITH LTTE
IN TRINCOMALEE; USAID COMMODITIES MOVE TO JAFFNA

REF: (A) COLOMBO 01724 (B) STATE 256563

SENSITIVE BUT UNCLASSIFIED - PROTECT ACCORDINGLY.

SUMMARY

1. (SBU) Based on recent State Department guidance approving operational/working-level discussions on relief and development issues with counterpart LTTE representatives (Ref B) and a September 18 meeting between the Embassy's front office and USAID/Sri Lanka staff, two USAID staff met on October 7 with an LTTE representative in Trincomalee to introduce the head of the USAID/Office of Transition Initiatives (OTI) field office there and give an overview of USAID's ongoing activities. Like the earlier meetings, the conversation was cordial, largely stayed on topic and resulted in a clearer understanding of USAID/OTI's small-grants assistance program. On a related matter, USAID/OTI transported for the first time project-related supplies through LTTE-controlled territory for delivery to beneficiaries in Jaffna after making the necessary arrangements with LTTE officials (Ref A). This event, juxtaposed with the U.S. redesignation of the LTTE as a terrorist organization, received minor press play.

TRINCO MEETING

2. (SBU) USAID staff had first scheduled a meeting with the LTTE in Trincomalee for September 30, one day after the meetings with LTTE representatives in Jaffna and Kilinochchi to discuss transport of USAID Office of Transition Initiatives (OTI) project-related supplies. That meeting never took place, however, as Mr. Thilak, the LTTE's Trincomalee District representative, was not there when USAID staff called at the scheduled time. He phoned the USAID/OTI Trincomalee office later the same afternoon, apologizing for his absence and expressing his willingness to meet. Unfortunately, the two USAID staff from Colombo, including one Tamil-speaking American, were halfway back to the capital with other travel planned from there for the next day. Tentative plans were made to reschedule a meeting for the following week.

3. (SBU) The meeting was rescheduled for October 7 at the USAID/OTI premises in Trincomalee town. The USAID/Colombo Special Projects Officer, a Tamil speaker with several years of experience working with other international agencies in the North and East of Sri Lanka, initiated the conversation by introducing the USAID/OTI Trincomalee Head of Office and himself. Although Thilak preferred to speak in Tamil, his English was more than adequate. The conversation proceeded switching back and forth between both languages.

4. (SBU) USAID staff made reference to the meetings last week with LTTE representatives in Jaffna and Kilinochchi regarding the duty-free transport of project-related supplies. Thilak claimed to be unaware of these conversations, though a comment he made later during the discussion suggested otherwise. It was noted that based on the positive outcome of those meetings, the first such shipment would take place this week with materials to benefit fisher families on Karainagar Island and an English teacher training program in Jaffna. The purpose of the meeting in Trincomalee, it was explained, was to give a brief overview of USAID's work as a basis for similar discussions regarding operational issues. USAID staff asked that in the future Thilak contact the USAID/OTI Head of Field Office directly, rather than approaching local staff as had happened on one occasion, with any questions related to the program or USAID-funded activities.

5. (SBU) Thilak asked about the geographic areas in which USAID was working. USAID staff explained that under current USG policy activities can only be implemented in areas controlled by the GSL. Thilak appeared well aware of this policy and commented that it was "mean" and "unfair" to the war-affected civilian population living in areas under LTTE control. "When you need a favor, you come to us and ask," Thilak said, apparently referring to the previous week's

meetings in Jaffna and Kilinochchi of which he had earlier said he was unaware. "Otherwise you don't want anything to do with us."

16. (SBU) USAID staff emphasized that there is no desire by the USG to deny any segment of the civilian population needed support or assistance, adding that significant numbers of Tamil civilians live in GSL-controlled areas of the North and East where USAID is working. Furthermore, USAID staff pointed out that the conversations held with the LTTE the previous week were intended to eliminate bottlenecks preventing the Agency from implementing activities directly benefiting the people of Jaffna.

17. (SBU) The meeting ended with Thilak agreeing to read a program overview, written in Tamil, and return with any questions that he might have about USAID/OTI activities in Trincomalee. Before he left, he cited about 10 villages -- all predominantly or exclusively Tamil -- that he said were in particular need of support and assistance due to poverty. Notably, all of the villages were in areas under GSL control; no villages in areas controlled by the LTTE were mentioned.

18. (SBU) Comment. Despite Thilak's overt disapproval of USG policy vis--vis the LTTE, overall the conversation was cordial. Thilak at first wanted to debate USG policy, which he found hypocritical and biased -- particularly in light of the GSL de-proscription of the LTTE. Without much effort, however, USAID staff were able to keep the discussion focused squarely on development-related issues. His conscious decision to cite needy villages in only GSL-controlled areas of Trincomalee seems to indicate that the message got across. End comment.

TRANSPORT OF SUPPLIES

19. (SBU) USAID/OTI staff successfully delivered on October 10 the project-related supplies that the LTTE had on September 30 said would not be taxed during transport through areas under its control. The materials were for two USAID/OTI-funded projects: one assisting fisher families on Karainagar Island, the other supporting an English teacher training program in Jaffna. The supplies were transported in a private lorry escorted by two USAID/OTI local staff members in a clearly marked USAID/OTI vehicle with diplomatic plates. USAID/OTI staff reported a high level of cooperation during the transport and checking process by the LTTE, which in accordance to its standard policy for materials related to relief and development activities did not attempt to levy taxes on the items.

110. (SBU) Over the long weekend, at least newspapers picked up on the fact that USAID had held discussions with the LTTE in order to move project commodities to Jaffna without paying taxes at the same time the USG had redesignated the LTTE as a terrorist organization. We have had no press inquiries on this topic but, if asked, we will confirm that the commodities did in fact move as described in the article.

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